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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	Chapter 11
)	
Delphi Corporation, <u>et al.</u> ,)	Case No. 05-44481 (RDD)
)	
Debtors.)	Jointly Administered
)	

**OFFICIAL COMMITTEE OF UNSECURED CREDITORS' RESPONSE AND
RESERVATION OF RIGHTS WITH RESPECT TO PENDING INTERIM FEE
APPLICATIONS OF VARIOUS RETAINED PROFESSIONALS**

The Official Committee of Unsecured Creditors (the "Committee") appointed in the chapter 11 cases of Delphi Corporation ("Delphi") and certain of its affiliates (collectively, the "Debtors"), by and through its undersigned counsel, hereby responds (the "Response") to certain pending Interim Fee Applications (each an "Application" and, collectively, the "Applications") filed by various retained professionals (the "Professionals") in these cases to date. In support of this Response, the Committee respectfully states as follows:

RESPONSE TO PROFESSIONALS' FEE APPLICATIONS

1. The Committee in these cases recognizes and takes seriously its duty to review monthly fee statements and applications of professionals retained in these cases.

2. Since the commencement of these cases, the Committee has in fact undertaken a careful review of such fee statements and applications filed by professionals to date and intends to continue to do so.

3. The Committee has discovered certain possible issues or discrepancies in the Applications of certain Professionals, including, but not limited to, the following:

- a. The amount of fees requested by Banner & Witcoff, Ltd. does not appear to match the amount of fees detailed in that firm's Application;
- b. Charlotte Garry, of Butzel Long PC, bills exactly 8.0 hours virtually every day she works (between five and ten days each month);
- c. Cadwalader Wickersham & Taft LLP requests reimbursement of over ten thousand dollars in travel expenses for just two lawyers, without detailing any of these expenditures;
- d. The amount of fees requested by Covington & Burling does not appear to match the amount of fees detailed in that firm's Application; and
- e. KPMG does not appear to bill its non-working travel time at one-half of its standard hourly rates, as is customary in Court.

4. Nevertheless, in the interest of both judicial efficiency and having an opportunity to review any related analysis prepared by LCC and the fee committee appointed in these cases, the Committee does not at this time wish to object to the interim payment of any fees and expenses requested in the pending fee applications.

5. The Committee expressly reserves all of its rights and remedies at law or in equity, including but not limited to the right to object to future statements and applications that may be filed by professionals retained in these cases. Further, the Committee expressly reserves

its right to object to any final fee application that may be filed by professionals retained in these cases.

Dated: October 16, 2006
New York, New York

LATHAM & WATKINS LLP

By: /s/ Robert J. Rosenberg
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